

## Members

Sen. Patricia Miller, Chair  
Rep. Charlie Brown  
Rep. Brian Hasler  
Rep. William Crawford  
Rep. Susan Crosby  
Rep. John Day  
Rep. Craig Fry  
Rep. Win Moses  
Rep. Peggy Welch  
Rep. Vaneta Becker  
Rep. Robert Behning  
Rep. Timothy Brown  
Rep. Mary Kay Budak  
Rep. David Frizzell  
Rep. Gloria Goeglein  
Sen. Allie Craycraft  
Sen. Billie Breaux  
Sen. Earline Rogers  
Sen. Vi Simpson  
Sen. Greg Server  
Sen. Kent Adams  
Sen. Beverly Gard  
Sen. Steve Johnson  
Sen. Connie Lawson  
Sen. Marvin Riegsecker



# HEALTH FINANCE COMMISSION

*Legislative Services Agency*  
200 West Washington Street, Suite 301  
Indianapolis, Indiana 46204-2789  
Tel: (317) 232-9588 Fax: (317) 232-2554

## MEETING MINUTES<sup>1</sup>

### LSA Staff:

Al Gossard, Fiscal Analyst for the Committee  
Barry Brumer, Attorney for the Committee

Authority: IC 2-5-23

Meeting Date:	October 26, 1999
Meeting Time:	10:30 A.M.
Meeting Place:	State House, 200 W. Washington St., Senate Chambers
Meeting City:	Indianapolis, Indiana
Meeting Number:	5

**Members Present:** Rep. Charlie Brown; Rep. Susan Crosby; Rep. John Day; Rep. Craig Fry; Rep. Win Moses; Rep. Peggy Welch; Rep. Vaneta Becker; Rep. Mary Kay Budak; Rep. David Frizzell; Sen. Allie Craycraft; Sen. Billie Breaux; Sen. Kent Adams; Sen. Connie Lawson; Sen. Patricia Miller.

**Members Absent:** Rep. Brian Hasler; Rep. William Crawford; Rep. Robert Behning; Rep. Timothy Brown; Rep. Gloria Goeglein; Sen. Earline Rogers; Sen. Vi Simpson; Sen. Greg Server; Sen. Beverly Gard; Sen. Steve Johnson; Sen. Marvin Riegsecker.

Sen. Miller, Chair of the Commission, called the meeting to order at about 11:15 a.m. Members were provided the following documents in their packets: (1) minutes from the meeting of October 19, 1999; (2) a memo from staff regarding fee collections and appropriations of the Health Professions Bureau (Exhibit 1); (3) a memo from staff on the fiscal impact of a state contribution to group long term care insurance for state employees (Exhibit 2); (4) information from FSSA (including Indiana Long Term Care Ombudsman Contact listing, Hoosier Healthwise enrollment numbers, draft of proposed rules for the January 1, 2000, Hoosier Healthwise expansion, and a letter from U.S. Secretary of Education Riley to all school superintendents) (Exhibit 3); (5) preliminary drafts of proposed legislation to be considered by the Commission (Exhibit 4 and summarized below); and (6) a draft of the report of the Commission.

## Consideration of Legislative Proposals

The following legislative proposals were provided to Commission members.

**PD3459** (Health Facility Certificate of Need) creates a certificate of need program to be

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<sup>1</sup>Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

administered by the State Department of Health until July 1, 2002.

**PD3460** (Health Facility Violations) increases the amount of fines that the Commissioner of the State Department of Health may impose for breaches by health facilities. The bill also specifies that SDH must contract with an independent organization to operate an informal dispute resolution process required by federal law. The bill also contains other provisions regarding the regulation and enforcement of nursing homes.

**PD3491** (Long Term Care Insurance for State Employees) requires the state to establish a program of group long term care insurance for its employees. The state is to contribute 25% of the premium for those employees who choose to purchase group long term care insurance policies.

**PD3493** (Health Facility Violations) contains several provisions regarding the regulation and enforcement of nursing homes including the operation of an informal dispute resolution program and increased fines for breaches.

**PD3500** (Health Facility Certificate of Need) creates a certificate of need program to be administered by the State Department of Health until July 1, 2002. The bill also allows a health facility to relocate beds to another facility under the same ownership or control and within six miles of the transferring facility.

**PD3555** (Composition of the Health Finance Commission) changes the composition of the Health Finance Commission to consist of members of the Senate Health and Provider Services Standing Committee and the House Public Health Standing Committee.

**PD3563** (Determinations of Medical Necessity) provides that a health maintenance organization make determinations of medical necessity for health care services in writing and base the determination on certain standards.

**PD3564** (Informal Dispute Resolution Process) requires the State Department of Health to contract with an independent organization to operate the informal dispute resolution process required by federal law.

**PD3565** (Tobacco Settlement Funds) provides that all Tobacco Settlement funds are to be placed in an endowment fund and that interest from the fund be used to provide grants for health care and tobacco use prevention purposes. The bill also establishes the process by which funding decisions are to be made by the state.

**PD3566** (Medical Necessity) requires a determination of medical necessity to be made by a qualified physician, in writing, and based on medical information.

**PD3567** (Health Professions Bureau) requires the Health Professions Bureau to issue a renewal license or certificate within 10 days from the receipt of the required forms and evidence or on the same day an applicant for renewal appears in person at the Bureau.

Due to the absence of a quorum, no vote was taken on the above bill drafts.

## **Consideration of Report of Findings and Recommendation**

Due to the absence of a quorum, no vote was taken on the question of the approval of a Report of Findings and Recommendations of the Commission.

There being no further business, the meeting was adjourned.